



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**  
RESEARCH TRIANGLE PARK, NC 27711

OFFICE OF  
AIR QUALITY PLANNING  
AND STANDARDS

August 20, 2015

Dear Tribal Leader:

In January 2015, the U.S. Environmental Protection Agency (EPA) announced a series of steps it planned to take to address methane and smog-forming volatile organic compound (VOC) emissions from the oil and natural gas industry, in order to ensure continued, safe and responsible growth in U.S. oil and natural gas production. The EPA's plans to address methane are part of the overall Strategy to Reduce Methane Emissions (the Methane Strategy) – a component of the President's Climate Action Plan. The Methane Strategy, announced in January, consists of both regulatory and voluntary approaches. In February, the EPA asked tribes to nominate themselves to participate in discussions about their efforts to address sources of emissions in the oil and natural gas sector. Tribal input was received in a telephone conference call in April.

The EPA is addressing the Methane Strategy through four actions just signed by the EPA Administrator.

First, the EPA is building on our 2012 New Source Performance Standards (NSPS) for the oil and natural gas industry to reduce methane emissions and to achieve additional reductions in VOCs. In the NSPS, we are proposing standards for the following sources:

- Completions of hydraulically fractured oil wells,
- Pneumatic pumps,
- Fugitive emissions from new and modified well sites and compressor stations, and
- Pneumatic controllers and compressors in the transmission and storage segment.

Second, the EPA issued a rule in July 2011 that requires small sources in Indian country to obtain minor source permits prior to commencing construction beginning on a fixed date. (The Federal Indian Country Minor New Source Review (NSR) Rule, 76 Fed. Reg. 38748, July 1, 2011). Last year, we extended the permitting deadline for "true minor" oil and natural gas sources in Indian country to March 2, 2016. (79 Fed. Reg. 34231, June 16, 2014). Also, last year, we issued an Advance Notice of Proposed Rulemaking (ANPR) seeking feedback on options for making the permitting process under the Indian Country Minor NSR Rule more efficient for true minor sources in the oil and natural gas sector. Based on our analysis of comments received in response to the ANPR from tribes and other parties, and other relevant information, we are proposing a national option for making the permitting process more efficient. The proposal consists of a proposed federal implementation plan (FIP) rule that would apply to new true minor sources and minor modifications at existing true minor sources in the production segment of the oil and natural gas sector that are locating or expanding in Indian country. In the same action, we are also proposing several amendments to the Federal Indian Country Minor NSR Rule and one amendment to the Federal Indian Country Major NSR Rule in Indian Country that was promulgated at the same time as the minor source rule.

Third, in a separate rulemaking addressing source determination issues for the production segment of the oil and natural gas industry, the EPA is proposing an updated definition of “adjacent” for oil and natural gas extractions operations for purposes of determining whether the operations are subject to major or minor source permitting requirements. This will help provide certainty to regulators and the regulated community.

Finally, we are making available for comment draft control techniques guidelines (CTG) for requiring the application of reasonably available control technology (RACT) to achieve VOC reductions from existing sources in ozone nonattainment areas that are classified as “moderate” and above, and in states in the Ozone Transport Region. Once a final CTG is issued, states with nonattainment areas classified as Moderate and above and states in the Ozone Transport Region that are required to implement RACT would have to update their State Implementation Plans showing how they will reduce VOC emissions from sources covered by the CTG. These guidelines could also become the basis for requirements for existing oil and natural gas activity in Indian country ozone nonattainment areas.

The purpose of this letter is to invite you to request formal consultation or to have informal discussions prior to the EPA taking final action on the proposed NSPS, the proposed source determination rule, the proposed FIP or the draft CTG, should you believe that your tribe could be affected by these actions. If you prefer to initiate government-to-government consultation with the EPA, please contact Toni Colón at (919) 541-0069, email: [colon.toni@epa.gov](mailto:colon.toni@epa.gov). Please contact us by October 2, 2015 in order to request consultation.

We request your input to assure that we develop the best rules and guidelines possible. We endeavor to conduct our efforts with sensitivity to the needs and culture of your tribe and with attention to the potential impact of our actions. We look forward to hearing from you.

Sincerely,

A handwritten signature in black ink, appearing to read "Gregory H. Green", written in a cursive style.

Gregory Green Director  
Outreach and Information Division

cc: Tribal Environmental Director  
Tribal Environmental Staff